

## STATE OF SOUTH CAROLINA

222480

South Carolina Electric & Gas Company - Application for  
Increase in Rates and Charges

BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA

## COVER SHEET

COPY

Posted: 1001Dept: S.A.Date: 3/10/10Time: 11:40

DOCKET

NUMBER: 2009 - 489 - E

(Please type or print)

Submitted by: K. Chad BurgessSC Bar Number: 69456

Address: SCANA Corp.  
220 Operation Way MC C222  
Cayce, SC 29033-3701

Telephone: 803-217-8141Fax: 803-217-7810

Other: \_\_\_\_\_

Email: chad.burgess@scana.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

## DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously

☐ Other: \_\_\_\_\_

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input checked="" type="checkbox"/> Electric	<input checked="" type="checkbox"/> Affidavit	<input type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other: _____
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report	

RECEIVED

MAR 10 2010

PSC SC  
CLERK'S OFFICE



K. Chad Burgess  
Assistant General Counsel

chad.burgess@scana.com

March 9, 2010

**VIA HAND DELIVERY**

The Honorable Jocelyn G. Boyd  
Interim Chief Clerk/Administrator  
**South Carolina Public Service Commission**  
101 Executive Center Drive (29210)  
Post Office Drawer 11649  
Columbia, South Carolina 29211

RECEIVED

MAR 10 2010

PSC SC  
CLERK'S OFFICE

2010 MAR -9 PM 1:20  
SC PUBLIC SERVICE  
COMMISSION

RECEIVED

RE: South Carolina Electric & Gas Company - Application for Increase in Rates and Charges  
Docket No. 2009-489-E

Dear Ms. Boyd:

By letter dated January 28, 2010, the Docketing Department of the Public Service Commission of South Carolina transmitted the Notice of Filing and Hearing ("Notice") in the above-referenced docket to South Carolina Electric & Gas Company ("SCE&G") and instructed SCE&G to furnish the Notice to each affected customer on or before March 8, 2010. In compliance with the Docketing Department's instructions contained within the January 28 letter, please find enclosed for filing an affidavit certifying that the Notice has been provided to SCE&G's affected customers.

Please acknowledge your receipt of these documents by file stamping the extra copy of this letter and returning it to us via our courier.

By copy of this letter, we are providing all other parties of record with a copy of the enclosed documents.

(Continued.....)

The Honorable Jocelyn G. Boyd  
March 9, 2010  
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If you have any questions, please advise.

Very truly yours,



K. Chad Burgess

KCB/kms  
Enclosures

cc: Nanette S. Edwards, Esquire  
Shannon Bowyer Hudson, Esquire  
Alan R. Jenkins, Esquire  
Thomas L. Moses, Esquire  
Scott Elliott, Esquire  
Frank Knapp, Jr.  
(all via First Class U.S. mail w/enclosures)

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION**  
**OF SOUTH CAROLINA**  
**DOCKET NO. 2009-489-E**

RECEIVED  
2010 MAR -9 PM 4:21  
SOUTH CAROLINA  
PUBLIC SERVICE  
COMMISSION


**IN RE:**

South Carolina Electric & Gas Company's )  
Application for Increase in Rates and )  
Charges. )  
\_\_\_\_\_ )

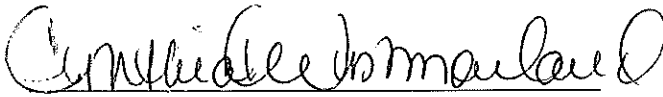
**AFFIDAVIT**

PERSONALLY APPEARED before me, John R. Hendrix, who being first duly sworn, deposes and says that he is Manager of the Electric Pricing and Rate Administration Department for SCANA Services; that at his direction and under his supervision the Notice of Filing and Hearing attached hereto as Exhibit A and incorporated herein ("Notice") has been furnished either by U.S. Mail or electronically to customers who have agreed to receive the Notice electronically, to all applicable customers of South Carolina Electric & Gas Company on or before March 8, 2010.

FURTHER AFFIANT SAYETH NOT.

  
\_\_\_\_\_  
John R. Hendrix

Sworn to and subscribed before me  
this 8th day of March, 2010

  
\_\_\_\_\_  
Notary Public for South Carolina  
My Commission Expires: 09-13-2011

PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA

DOCKETING DEPARTMENT

NOTICE OF FILING AND HEARING

DOCKET NO. 2009-489-E

SOUTH CAROLINA ELECTRIC & GAS COMPANY-  
APPLICATION FOR INCREASE IN RATES AND CHARGES

On January 15, 2010, South Carolina Electric & Gas Company ("SCE&G" or "Company") filed an application with the Public Service Commission of South Carolina ("Commission") requesting authority to adjust and increase its retail electric rates, charges, and tariffs. The Application was filed pursuant to S.C. Code Ann. Sections 58-27-820 and 58-27-870 (1976, as amended) and 26 S.C. Code Ann. Regs. 103-823 (1976, as amended).

SCE&G states in its Application that it has made significant investments to comply with increasingly stringent environmental and safety laws and regulations promulgated by the Federal government and to continue to provide reliable electric service to its customers. The Application states that SCE&G has recently invested approximately \$708.5 million in environmental and safety related projects which are not currently reflected in rates. These investments include (i) new flue gas desulphurization facilities at the Williams Station, located at Bushy Park, South Carolina, and the Wateree Station in Richland County, South Carolina to reduce sulfur dioxide emissions; (ii) a selective catalytic reactor at Cope Station in Orangeburg County, South Carolina to reduce nitrogen oxide emissions; (iii) the completion of construction of a back-up dam at the site of the Saluda Hydro Project at Lake Murray in Lexington County, South Carolina; and (iv) other environmental projects. The Application states that the Company was able to defray approximately \$254.4 million of the \$328.6 million in its system construction costs for the Saluda back-up dam using synthetic fuel tax credits. Thus, the net unrecovered capital cost to SCE&G's electric system of this \$328.6 million improvement in the safety of its facilities is approximately \$74.2 million. The Application also states that SCE&G has experienced increased costs in continuing to provide safe and reliable service to its customers. The Application further states that, despite the Company's measures to hold down operation and maintenance expenses, to improve efficiencies and constant efforts to lower and control costs, the current rates and charges are not sufficient to allow the Company a reasonable opportunity to earn an adequate rate of return on its investment.

SCE&G requests that the proposed increases be approved but implementation of the increases be delayed in part and implemented in three stages. The initial phase would be effective July 15, 2010 and represent an incremental rate increase of approximately 3.19% compared to current rates. The second phase would be effective January 1, 2011 and represent an incremental rate increase of 3.06% compared to current rates. The final phase would implement the remainder of the total rate increase, effective July 1, 2011, and would represent an incremental rate increase of 3.27% compared to current rates. The proposed rates and charges represent a total increase of approximately 9.52%.

A copy of the Company's complete Application, as well as the proposed rates, charges and tariffs may be obtained from the Commission at the following address: Public Service Commission of South Carolina,

Docketing Department, 101 Executive Center Drive, Columbia, South Carolina 29210. Additionally, the Application is available on the Commission's website at [www.psc.sc.gov](http://www.psc.sc.gov) and is available from the corporate office of South Carolina Electric & Gas Company at MC C222, 220 Operation Way, Cayce, South Carolina, 29033.

In order for testimony and evidence to be received from all interested parties, a public hearing will be held in the Commission's Hearing Room, Synergy Business Park, Saluda Building, 101 Executive Center Drive, Columbia, South Carolina 29210 beginning on Monday, May 24, 2010, at 10:30 a.m. and continuing through Thursday, May 27, 2010, if necessary.

Any person who wishes to participate in this matter, as a party of record with the right of cross-examination should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure on or before March 22, 2010, and indicate the amount of time required for his presentation. Please include an email address for receipt of future Commission correspondence in the Petition to Intervene. *Please refer to Docket No. 2009-489-E and mail a copy to all other parties listed for this docket. The list of other parties may be found by conducting a "docket search" on the Commission's website at [www.psc.sc.gov](http://www.psc.sc.gov).*

Any person who wishes to testify and present evidence at the hearing should notify the Docketing Department, in writing, at the address below; the South Carolina Office of Regulatory Staff, 1401 Main Street, Suite 900, Columbia, South Carolina 29201; and K. Chad Burgess, Assistant General Counsel, South Carolina Electric & Gas Company, Mail Code C222, 220 Operation Way, Cayce, South Carolina, 29033, on or before March 22, 2010, and indicate the amount of time required for his presentation. *Please refer to Docket No. 2009-489-E.*

Any person who wishes to request that the Commission hold a public hearing in his or her county of residence in order to hear comments from the utility's customers should notify in writing, the Docketing Department at the address below, the South Carolina Office of Regulatory Staff, at 1401 Main Street, Suite 900, Columbia, South Carolina 29201 and K. Chad Burgess, Assistant General Counsel, South Carolina Electric & Gas Company, Mail Code C222, 220 Operation Way, Cayce, South Carolina, 29033 on or before March 18, 2010. *Please refer to Docket No. 2009-489-E.*

Any person who wishes to be notified of the hearing, but does not wish to present testimony or be a party of record, may do so by notifying the Docketing Department, in writing, at the address below on or before March 22, 2010. *Please refer to Docket No. 2009-489-E.*

**PLEASE TAKE NOTICE:** Any person who wishes to have his or her comments considered as part of the official record of the proceeding **MUST** present such comments, in person, to the Commission during the hearing.

Persons seeking information about the Commission's Rules of Practice and Procedure should contact the Commission in Columbia at 803-896-5100.

Public Service Commission of South Carolina  
Attn: Docketing Department  
Post Office Drawer 11649  
Columbia, SC 29211

[www.sceg.com](http://www.sceg.com)

